

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE ☒ WATER SANDS LOCATION INSPI SUB. REPORT/abd.

DATE FILED FEBRUARY 21, 1995

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

INDIAN IND 14-20-

DRILLING APPROVED: FEBRUARY 23, 1995

H624386

SPUDDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED: LOCATION ABANDONED PER BLM EFF. MARCH 25, 1996

FIELD: UNDESIGNATED FIELD

UNIT: NA

COUNTY: Uintah

WELL NO. UTE TRIBAL #26-4-I

API NO. 43-047-32666

LOCATION 2420' FSL FT. FROM (N) (S) LINE. 996' FEL

FT. FROM (E) (W) LINE. NE SE

1/4 - 1/4 SEC. 26

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

4S

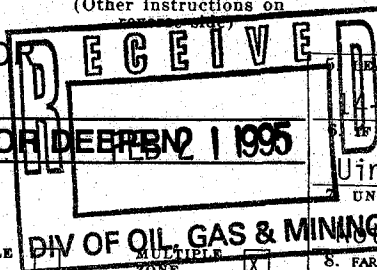
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26

SNYDER OIL CORPORATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN



1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONEMULTIPLE
ZONE ☒

2. NAME OF OPERATOR

Snyder Oil Corporation

Phone: (303) 592-8500

3. ADDRESS AND TELEPHONE NO.

1625 Broadway, Suite 2200, Denver, Colorado 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

2420' FSL, 996' FEL (NW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$) Section 26, T4S, R1E

At proposed prod. zone

Same As Above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately Thirteen (13) Miles South of Ft. Duchesne, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

996'

16. NO. OF ACRES IN LEASE

580

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.1313.48' \pm

19. PROPOSED DEPTH

6700'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5109' GR

22. APPROX. DATE WORK WILL START*

February 2, 1995

23.

(ALL NEW)

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" J-55	24.0#	0- 300'	225 sx Circulated to Surface *
7-7/8"	5-1/2" M-75	15.5#	0-6700'	675 sx Cement *

* Cement volumes may change due to hole size.
Calculate from Caliper Log.

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

I hereby certify that Snyder Oil Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the Ute Tribal #26-4-I, Tribal Lease #14-20-H624386. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Snyder Oil Corporation, Nationwide Bond #WY-2272, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Drilling Engineer

DATE 12/13/94

(This space for Federal or State office use)

PERMIT NO.

43-047-32666

APPROVAL DATE

2/23/95

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

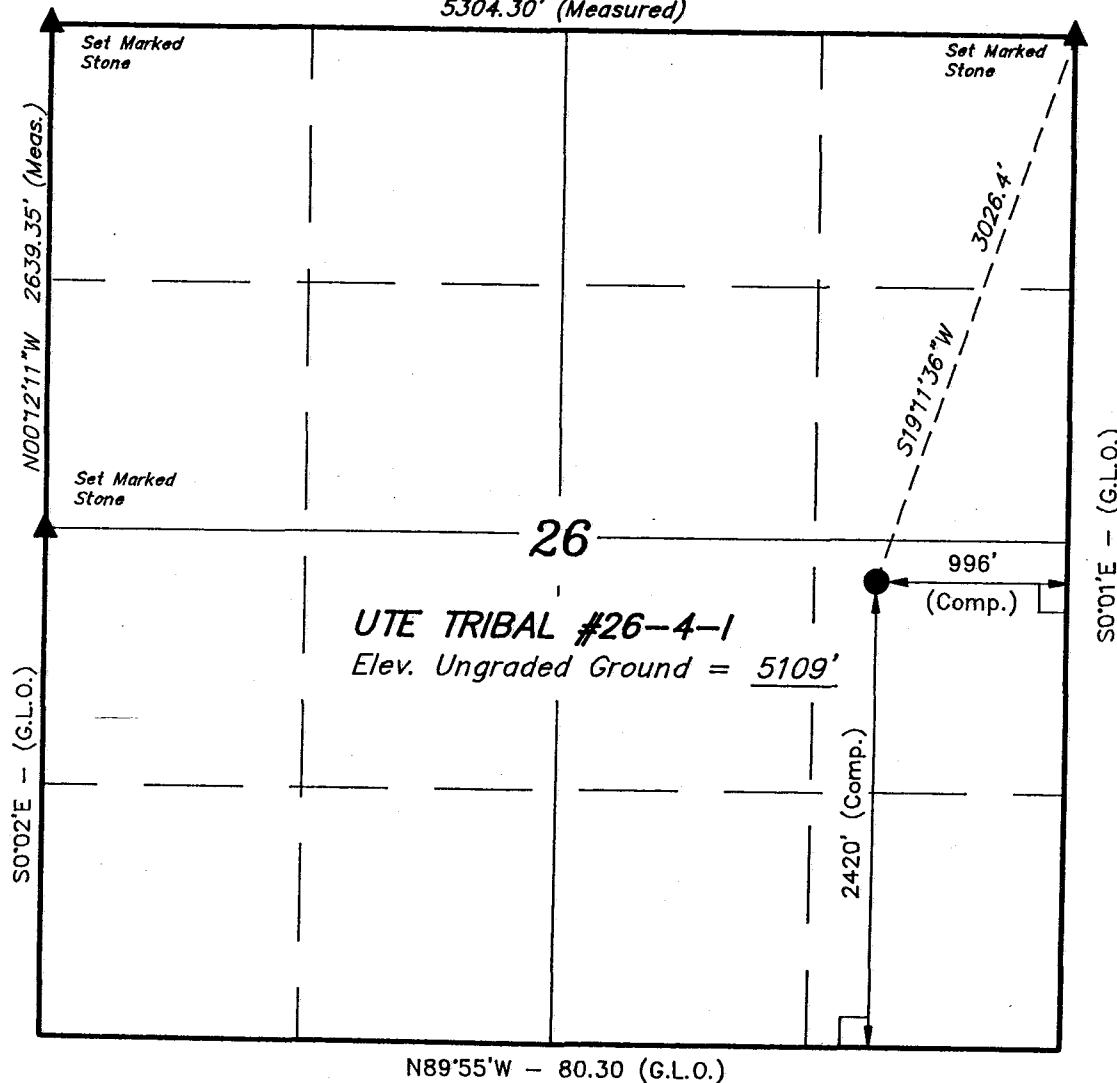
DATE

2/23/95

*See Instructions On Reverse Side

T4S, R1E, U.S.B.&M.

N89°47'W - G.L.O. (Basis of Bearings)
5304.30' (Measured)

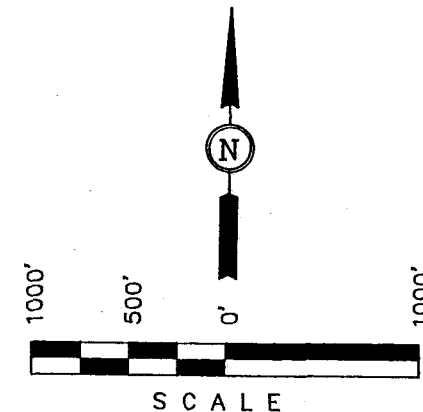


SNYDER OIL CORP.

Well location, UTE TRIBAL #26-4-1, located as shown in the NE 1/4 SE 1/4 of Section 26, T4S, R1E, U.S.B.&M. Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 23, T4S, R1E, U.S.B.&M. TAKEN FROM THE UTELAND BUTTE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5188 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME, OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-13-94	DATE DRAWN: 11-17-94
PARTY J.F. A.Z. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE SNYDER OIL CORP.	

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

SNYDER OIL CORPORATION
Tribal Lease #14-20-H624386, Ute Tribal #26-4-I
NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 26, T4S, R1E
Uintah County, Utah

DRILLING PROGNOSIS

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

Uinta	Surface	Black Shale	6050'
Green River	1980'	Green River LS	6600'
Green Shale	4725'	Total Depth	6700'
Douglas Creek	5450'		

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS

Green River	1980'	Oil/Gas	- Possible
Douglas Creek	5450'	Oil/Gas	- Primary Objective
Green River LS	6600'	Oil/Gas	- Possible

Any shallow water zones encountered will be adequately protected and reported. All potentially productive hydrocarbon zones will be cemented off.

3. PRESSURE CONTROL EQUIPMENT - Schematic Attached

- A. Type:** Eleven (11) Inch Double Gate Hydraulic BOP with Eleven (11) Inch Annular Preventer and 3,000 psi wellhead.

The Blow-Out Preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Drilling spool with two (2) side outlets (choke side 3-inch minimum, kill side 2-inch minimum).
4. Kill line (2-inch minimum).
5. Two (2) kill line valves, one of which will be a check valve (2-inch minimum).
6. 3-inch (minimum) choke line.
7. Two (2) choke line valves (3-inch minimum).
8. Two (2) adjustable chokes.
9. Pressure gauge on choke manifold.
10. Upper kelly cock valve with handle available.
11. Full opening internal blowout preventer or drill pipe safety valve able to fit all connections.
12. Fill-up line above the uppermost preventer.

All BOP equipment will be rated for service in a sour gas environment.

3. PRESSURE CONTROL EQUIPMENT - Continued

B. Pressure Rating: 3,000 psi

C. Testing Procedure:

Annular Preventer

At a minimum, the Annular Preventer will be pressure tested to 50% of the rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1) when the annular preventer is initially installed;
- 2) whenever any seal subject to test pressure is broken;
- 3) following related repairs; and
- 4) at thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1) when the BOP is initially installed;
- 2) whenever any seal subject to test pressure is broken;
- 3) following related repairs; and
- 4) at thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All blowout preventer drills and tests will be recorded in the International Association of Drilling Contractors (IADC) driller's log.

3. PRESSURE CONTROL EQUIPMENT - Continued

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to open the hydraulically-controlled choke line valve (if so equipped), close all rams plus the annular preventer, and retain a minimum of 200 psi above precharge on the closing manifold without the use of the closing unit pumps. The fluid reservoir capacity will be double the accumulator capacity and the fluid level will be maintained at the manufacturer's recommendations.

The BOP system will have two (2) independent power sources to close the preventers. Nitrogen bottles (3 minimum) will be one (1) of these independent power sources and will maintain a charge equal to the manufacturer's specifications. The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in *Onshore Oil & Gas Order Number 2*.

F. Special Drilling Operations:

In addition to the equipment already specified in Items A through E, above, the following equipment will be in place and operational during air/gas drilling:

1. Properly lubricated and maintained rotating head.
2. Spark arresters on engines or water cooled exhaust.
3. Blooie line discharge 100 feet from well bore and securely anchored.
4. Straight run on blooie line.
5. Deduster equipment (not required for aerated water system).
6. All cuttings and circulating medium(s) shall be directed into a reserve or blooie pit.
7. Float valve above bit.
8. Automatic igniter or continuous pilot light on the blooie line (not required for aerated water system).

3. PRESSURE CONTROL EQUIPMENT

F. Special Drilling Operations: Continued

9. Compressors located in the opposite direction from the blooie line and at a minimum of 100 feet from the well bore.
10. Mud circulating equipment, water, and mud materials (does not have to be pre-mixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

G. Miscellaneous Information:

The Blow-Out Preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of Onshore Oil & Gas Order Number 2.

The choke manifold and BOP extension rods with hand wheels will be located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head but readily accessible to the driller. Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill the Ute Tribal #26-4-I.

A flare line will be installed after the choke manifold, extending 125 feet (minimum) from the center of the drill hole to a separate flare pit.

4. THE PROPOSED CASING AND CEMENTING PROGRAM

A. Casing Program: All New

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
20 "	16 "	Steel	----	----	0- 60' ¹
12-1/4"	8-5/8"	24.0#	J-55	ST&C	0- 300'
7-7/8"	5-1/2"	15.5#	M-75	LT&C	0-6700'

¹ Conductor optional.

The surface casing will have centralizers on the bottom three (3) joints joint of casing, with a minimum of one (1) centralizer per joint starting with the shoe joint.

4. THE PROPOSED CASING AND CEMENTING PROGRAM

A. Casing Program: Continued

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

The 5-1/2" production string has been designed for service in sour gas environments.

B. Cementing Program:

Surface Conductor - Set with approximately five (5) cubic yards (yd³) of Redi-Mix cement, circulated back to surface.

Surface Casing - Set with approximately 225 sx of Class "G" cement + additives, circulated back to surface.

Production Casing - Lead with approximately 345 sx of Pacesetter Lite cement + additives.

Tail with approximately 330 sx of 50/50 Poz-Mix cement + additives.

A sufficient quantity of cement will be utilized to achieve full coverage across the upper Green River Formation. Estimated top of cement \approx 1900'.

The above cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. MUD PROGRAM - Visual Monitoring

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0- 300'	Fresh H ₂ O/Gel	8.8-9.3	28-35	No Control
300-6700'	Aerated Brine	8.2-8.8	30-35	+ 25 cc's
As Needed ¹	Salt Water/Gel	9.2-9.8	30-45	15-25 cc's

¹ The drilling fluids system will consist of air/mist (with 3% KCl water as the base fluid) for as long and/or as deep as possible. Should hole conditions deteriorate prior to reaching total depth, an alternative drilling fluids system would be utilized consisting of a salt/gel mud (with 3% KCL water as the base fluid).

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

No chromate additives will be used in the mud system on federal or Indian lands without prior approval of the Bureau of Land Management in order to ensure adequate protection of fresh water aquifers. Hazardous substances specifically listed by the Environmental Protection Agency as a hazardous waste or demonstrating the characteristics of a hazardous waste will not be used in drilling, testing or completion operations.

Prior to entering the Douglas Creek Formation, oxygen and H₂S scavengers will be added to the mud system. As a pre-cautionary measure, quantities of Zinc Carbonate and Ironite Sponge will be stored on location should an emergency arise.

6. EVALUATION PROGRAM

Logs : FDC/CNL/GR/DLL¹ - from 6700' to 3500'
Micro-SFL - from 6700' to 300'

¹ Pull Gamma Ray to surface.

DST's : None anticipated.

Cores : None anticipated.

The proposed Evaluation Program may change at the discretion of the well site geologist, with prior approval from the Authorized Officer, Bureau of Land Management.

6. EVALUATION PROGRAM - Continued

Stimulation : No stimulation or frac treatment has been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all completion activities.

Whether the well is completed as a dry hole or as a producer, *Well Completion and Recompletion Report and Log* (Form #3160-4) will be submitted to the Vernal District Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.

Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form #3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer, Vernal District Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078, Telephone: (801) 789-1362.

7. ABNORMAL CONDITIONS

No abnormal temperatures or pressures are anticipated. Hydrogen sulfide (H_2S) may be encountered at approximately 5,400' and safety equipment will be in operation at 4,900'. A Hydrogen Sulfide (H_2S) Contingency Safety Plan is being prepared by an independent H_2S Safety Company and will be submitted under separate cover.

Maximum anticipated bottom hole pressure equals approximately 3,350 psi (calculated at 0.50 psi/foot of hole) and maximum anticipated surface pressure equals approximately 1,876 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

A. Anticipated Starting Dates:

Anticipated Commencement Date	- February 2, 1995
Drilling Days	- Approximately 8 Days
Completion Days	- Approximately 7 days

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

B. Notification of Operations:

Vernal District Office, Bureau of Land Management

Address : 170 South 500 East; Vernal, Utah 84078
Phone : (801) 789-1362
Fax : (801) 789-3634

In the event after-hours approvals are necessary, please contact one of the following individuals:

<u>Contact Title</u>	<u>Contact Name</u>	<u>Home Phone</u>
Petroleum Engineer	Gerald E. Kenczka	(801) 781-1190
Petroleum Engineer	Ed Forsman	(801) 789-7077

The Vernal District Office, Bureau of Land Management will be notified at least twenty-four (24) hours PRIOR to the commencement of the following activities:

1. Spudding of the well. This oral report will be followed up with a Sundry Notice (Form 3160-5);
2. initiating pressure tests of the blow-out preventer and related equipment;
3. running casing and cementing of ALL casing strings.

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR, Part 3160), and this approved Application for Permit to Drill. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved Application for Permit to Drill must be on location during construction, drilling and completion operations. The following items are emphasized:

DRILLING/PRODUCING OPERATING STANDARDS

There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed.

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

B. Notification of Operations: Continued

All wells, whether drilling, producing, suspended or abandoned shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, the lease serial number, the well number and the surveyed description of the well.

Any changes in operations must have prior approval from the Authorized Officer (AO), Vernal District Office, Bureau of Land Management.

Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls will remain in use until the well is either completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection will be recorded on the daily drilling report. All BOP tests must be recorded in the daily drilling report. **NOTIFY DISTRICT PETROLEUM ENGINEER AT LEAST TWENTY-FOUR (24) HOURS IN ADVANCE OF PRESSURE TESTS.**

In accordance with Onshore Oil & Gas Order Number 1, this well will be reported on MMS Form #3160-6, *Monthly Report of Operations and Production*, starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the Royalty Management Program, Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217.

All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL-3A will be reported to the Vernal District Office. Major events will be reported verbally within twenty-four (24) hours and will be followed with a written report within fifteen (15) days. "Other than Major Events" will be reported in writing within fifteen (15) days. "Minor Events" will be reported on the *Monthly Report of Operations and Production* (Form #3160-6)

No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Area Petroleum Engineer.

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

B. Notification of Operations: Continued

A *Notice of Intention to Abandon* (Form #3160-5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug and abandon.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch: Company Name, Well Name and Number, Location by Quarter/Quarter, Section, Township, Range, and the Federal Lease Number.

A *Subsequent Report of Abandonment* (Form #3160-5) will be submitted within thirty (30) days following the actual plugging of the well bore. This report will indicate where plugs were placed and the current status of surface restoration operations.

If surface restoration has not been completed at that time, a follow-up report on Form #3160-5 will be filed when all surface restoration work has been completed and the location is considered ready for final inspection.

Pursuant to NTL-4A, lessees and operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of thirty (30) days or the production of fifty (50) MMCF of gas, whichever occurs first. An application must be filed with the Authorized Officer, and approval received, for any venting/flaring of gas beyond the initial thirty (30) day or otherwise authorized test period.

Not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than ninety (90) days, the operator shall notify the Authorized Officer by letter or "Sundry Notice", of the date on which such production has begun or resumed. The notification shall provide as a minimum, the following informational items:

- a. Operator name, address, and telephone number
- b. Well name and number

8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

B. Notification of Operations:

The notification shall provide as a minimum, the following informational items: continued

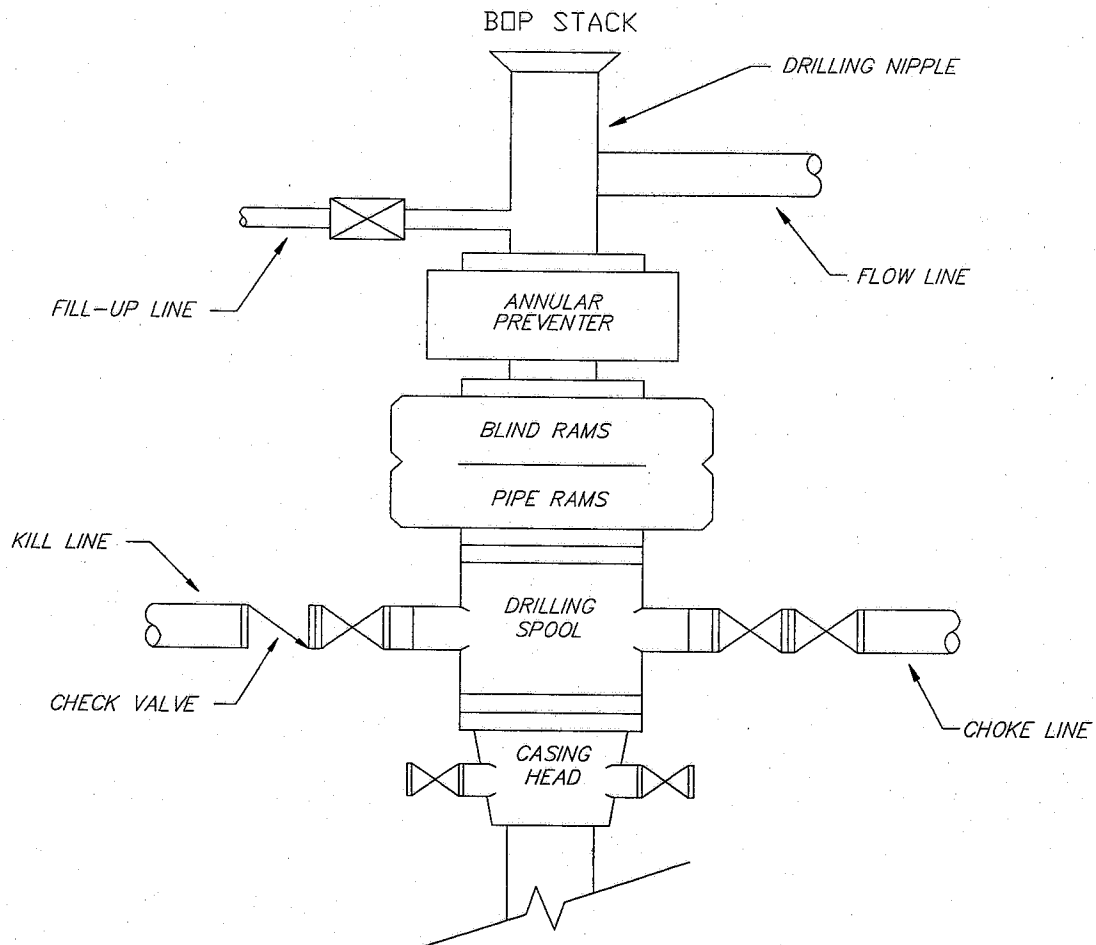
- c. Well location "¼, ¼, Section, Township, Range, P.M."
- d. Date well was placed in a producing status.
- e. The nature of the wells production, i.e.: crude oil casing gas, or natural gas and entrained liquid hydrocarbons.
- f. The OCS, federal or Indian lease prefix and number on which the well is located. Otherwise, the non-federal or non-Indian land category, (i.e., state or private).

Within sixty (60) days following construction of a new tank battery, a site facility diagram of the battery showing actual conditions and piping must be submitted to the Authorized Officer. Facility diagrams shall be filed within sixty (60) days after existing facilities are modified. For complete information as to what is required on these diagrams, please refer to 43 CFR 3162.7-4(d).

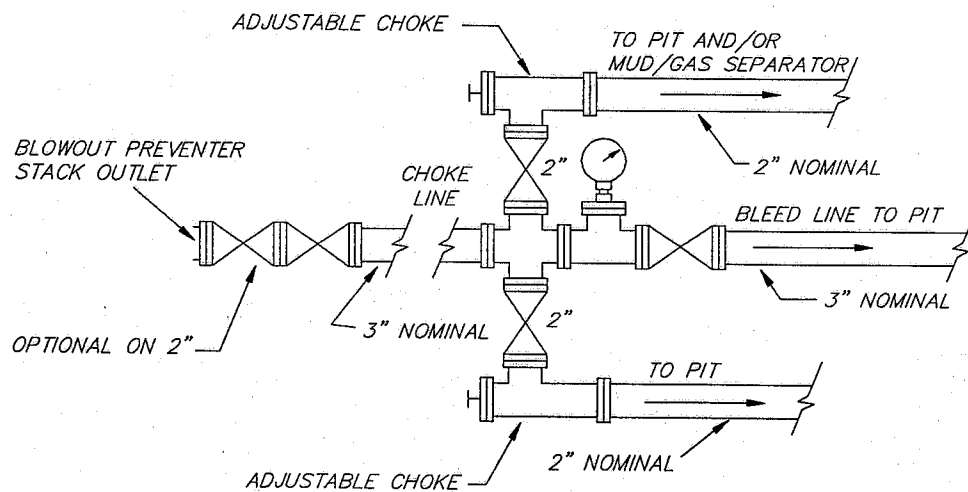
Pursuant to *Onshore Oil & Gas Order Number 1*, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such a manner which conforms with applicable federal laws and regulations and with state and local laws and regulations to the extent that such state and local laws are applicable to operations on federal and Indian lands.

SNYDER OIL CORPORATION

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



SNYDER OIL CORPORATION
Tribal Lease #14-20-H624386, Ute Tribal #26-4-I
NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 26, T4S, R1E
Uintah County, Utah

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
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1. EXISTING ROADS - Refer to Maps "A" and "B" (shown in ORANGE)

- A. The proposed well site is staked and four (4) 200-foot reference stakes are present.
- B. To reach the location from the city of Vernal, Utah; proceed generally west approximately 15.0 miles on U.S. Highway 191 (a paved U.S. Highway), thence generally south approximately 6.4 miles on an existing paved road (an upgraded Uintah County Road), thence continuing generally south approximately 5.7 miles on an existing Uintah County road (crowned & ditched with a gravel surface), thence generally east approximately 1.0 mile on an existing, upgraded oilfield road (crowned & ditched with a native soil surface), thence generally south/southeast approximately 1.3 miles on an existing, upgraded oilfield road (crowned & ditched with a native soil), thence continuing generally south approximately 0.3 miles to the proposed Ute Tribal #26-4-I well location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within a one (1) mile radius - refer to Map "B".
- E. The existing roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the Ute Tribal #26-4-I well location.

2. PLANNED ACCESS ROADS - Refer to Map "B" (shown in GREEN)

Approximately 0.3 miles of new road construction will be required for access to the proposed Ute Tribal #26-4-I well location.

- A. Width - maximum thirty (30) foot overall right-of-way with an eighteen (18) foot running surface, crowned and ditched for drilling and completion operations.
- B. Construction standard - the proposed access road will be constructed in accordance with roading guidelines established for oil & gas exploration and development activities as referenced in the joint BLM/USFS publication: *Surface Operating Standards for Oil and Gas Exploration and Development*, Third Edition.

2. PLANNED ACCESS ROADS - Continued

- B. Construction standard - the access road will be designed and constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed and safe roadway.

Prior to construction/upgrading, the roadway shall be cleared of any snow cover and allowed to dry completely. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

Traveling off of the thirty (30) foot right-of-way will not be allowed.

Drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or the accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at a frequent intervals by means of cutouts.

- C. Maximum grade - six (6) percent or less.
D. Turnouts - turnouts will be constructed along the access road route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.
E. Drainage design - the access road will be upgraded and maintained as necessary to prevent soil erosion and accommodate all-weather traffic. The proposed road will be crowned and ditched with water turnouts installed as necessary to provide for proper drainage along the access road route.
F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
G. Surfacing material - construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted (private) source of materials within the general area, if required by the Authorized Officer, Bureau of Indian Affairs. None anticipated at this time.
H. Gates, cattleguards or fence cuts - no gates, cattleguards or fence cuts will be required on/along the proposed access road route.

2. PLANNED ACCESS ROADS - Continued

- I. Road maintenance - during both the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing, and will also be maintained in accordance with the original construction standards.

The access road right-of-way will be kept free of trash during all operations.

- J. The proposed access road route has been staked.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS

- A. Water wells - none known.
B. Abandoned wells - NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 23, T4S, R1E.
NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 25, T4S, R1E.
C. Temporarily abandoned wells - none known.
D. Disposal wells - none known.
E. Drilling wells - none known.
F. Producing wells - SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 23, T4S, R1E.
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 25, T4S, R1E.
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 26, T4S, R1E.
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 26, T4S, R1E.
G. Shut-in wells - none known.
H. Injection wells - none known.
I. Monitoring wells - none known.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES OWNED BY SNYDER OIL CORPORATION WITHIN A ONE (1) MILE RADIUS

A. Existing

1. Tank batteries - SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 25, T4S, R1E.
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 26, T4S, R1E.
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 26, T4S, R1E.
2. Production facilities - same as Item #4A1, above.
3. Oil gathering lines - same as Item #4A1, above.
4. Gas gathering lines - none known.

B. New Facilities Contemplated

1. All production facilities will be located on the disturbed portion of the well pad and at a minimum of twenty (20) feet from the toe of the back slope or top of the fill slope.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES OWNED BY
SNYDER OIL CORPORATION WITHIN A ONE (1) MILE RADIUS

B. New Facilities Contemplated - Continued

2. Should drilling result in the establishment of commercial production from the Ute Tribal #26-4-I well location, production facilities will require an area approximately 250' X 140'.

A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via "Sundry Notice" (Form #3160-5) for approval *prior* to commencement of installation operations.

3. Production facilities will be accommodated on the disturbed portion of the well pad. Construction materials needed for installation of the production facilities will be obtained from the site; any additional materials needed will be purchased from a local supplier having a permitted source of materials in the general area.

A dike will be constructed completely around those production facilities which are designed to hold fluids (e.g., condensate tanks and/or produced water tanks). These dikes will be constructed of compacted subsoil, be impervious, be designed to hold 1.5 times the capacity of the largest tank, and be independent of the back cut.

4. All permanent [on-site for six (6) months or longer] above-the-ground structures constructed or installed on the well location (including pumping units, tank batteries, etc.) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Five (5) State Rocky Mountain Interagency Committee.

All production facilities will be painted within six (6) months of installation. Facilities required to comply with *Occupational Safety and Health Act Rules and Regulations* will be excluded from this painting requirement.

The required paint color is *Carlsbad Canyon*, Munsell standard color number 2.5Y 6/2.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES OWNED BY
SNYDER OIL CORPORATION WITHIN A ONE (1) MILE RADIUS - Cont.

- C. The production (emergency) pit will be fenced "sheep-tight" with woven wire mesh having two (2) top strands of barbed wire held in place by metal side posts and wooden corner "H" braces in order to protect livestock and wildlife. Please refer to Item #9F, (page #'s 9 and 10) for additional information concerning these fencing specifications.
- D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road and any additional areas which may be specified in the approved Application for Permit to Drill.
- E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer, Bureau of Indian Affairs.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Fresh water for drilling will be obtained from the Duchesne River at a point located in NW $\frac{1}{4}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 23, Township 3 South, Range 1 East of Uintah County, Utah. Water will be diverted from the Duchesne River under a purchase agreement between Snyder Oil Corporation and the Uintah and Ouray Ute Indian Tribes.

In the event this source of water proves inadequate, additional fresh water for use in drilling and cementing operations would be obtained from the municipal water supply for the community of Fort Duchesne, Utah.

- B. Water will be transported via tank truck over existing roads from the point of diversion to the proposed Ute Tribal #26-4-I well location. No new road construction will be required on/along the proposed water haul route.

Access roads which cross off-lease tribal lands on/along the proposed water haul route will be authorized under a separate Right-of-Way Grant/Special Use Permit to be obtained from the Uintah and Ouray Ute Indian Tribes and/or the Bureau of Indian Affairs (as applicable) prior to commencement of operations, if required.

- C. No water well will be drilled on this location.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. Any construction materials which may be required for surfacing of the drill pad will be obtained from a private contractor having a previously approved (private) source of materials within the general area.

Please refer to Item #2G (page #2) for additional information regarding any construction materials which may be required on/along the proposed access road.

- B. No construction materials will be taken from federal or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any construction materials which may be required for surfacing of the access road and/or installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials within the general area.
- D. No new access roads for transportation of these construction materials will be required.

7. METHODS OF HANDLING WASTE MATERIALS

- A. Cuttings - the drilled cuttings will be deposited in the reserve pit.
- B. Drilling fluids - including salts and chemicals will be contained in the reserve pit. The reserve pit will be constructed with a minimum of one-half (1/2) of it's total depth below the original ground surface at the lowest point within the pit. The reserve pit will be designed so as not to leak, break, or allow discharge.

Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within ninety (90) days following termination of drilling and completion activities.

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Snyder Oil Corporation.

- C. Produced fluids - liquids produced during completion operations will either be placed in test tanks on the well location (when a gel frac system is used) or into the reserve pit (when a foam frac system is used).

7. METHODS OF HANDLING WASTE MATERIALS - Continued

- C. Produced fluids - produced water will be confined to a lined pit (reserve pit) for a period not to exceed ninety (90) days after initial well completion.

During this ninety (90) day period, in accordance with Onshore Oil & Gas Order Number 7, an application for approval of a permanent disposal method and location, along with the required water analysis, shall be submitted to the Authorized Officer for review and approval as applicable. Failure to file an application within the time frame allowed will be considered as an incidence of noncompliance.

Any spills of oil, gas, salt water or any other potentially hazardous substance will be cleaned up and immediately removed to an approved disposal site.

- D. Sewage - portable, self-contained chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations (or as required) the toilet holding tanks will be pumped and the contents thereof disposed of in an approved sewage disposal facility.

Sewage disposal will be in strict accordance with applicable State of Utah rules and regulations regarding sewage treatment and disposal.

- E. Garbage and other waste material - all garbage and non-flammable waste materials will be contained in a self-contained, portable dumpster or trash cage. Upon completion of operations, or as needed, the accumulated trash will be hauled off-site to an approved sanitary landfill.

No trash will be placed in the reserve pit.

- F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No potentially adverse materials or substances will be left on the location.

Any open pits will be fenced during the drilling operation and said fencing will be maintained until such time as the pits have been backfilled.

7. METHODS OF HANDLING WASTE MATERIALS - Continued

- G. The reserve and/or production pit will be constructed on the existing location and will not be located in natural drainages where a flood hazard exists or surface runoff will destroy or damage the pit walls.

All pits will be constructed so as not to leak, break, or allow the discharge of liquids therefrom.

- H. Hazardous materials - chemicals listed on or subject to the Environmental Protection Agency's *Consolidated List of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA)* of 1986 will not be used, stored, transported across or disposed of on the Ute Tribal #26-4-I well location in excess of 10,000 pounds annually.

No extremely hazardous substances, as defined in 40 CFR 355, will be used, stored, transported across or disposed of on the Ute Tribal #26-4-I well location.

8. ANCILLARY FACILITIES

None anticipated.

9. WELLSITE LAYOUT

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the proposed well location (please refer to Figure #2).

A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.

- B. Figure #1 is a diagram showing a typical rig layout. No permanent living facilities are planned on the Ute Tribal #26-4-I well location. There will be a maximum of three (3) trailers on location during drilling operations, which will serve as both office and housing for the mud logger, geologist and toolpusher.
- C. All equipment and vehicles will be confined to the approved areas in this Application for Permit to Drill (i.e., access road and well pad areas).

9. WELLSITE LAYOUT - Continued

- D. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via *Sundry Notice* (Form 3160-5) for approval prior to the commencement of installation operations. Please refer to Item #4B2 (page #4) for additional information in this regard.
- E. The reserve pit will be lined with either native clay, commercial bentonite, or plastic sufficient to prevent seepage.

If a plastic-nylon reinforced liner is used, the liner will have a permeability less than or equal to 1×10^{-7} cm/sec. The liner will be chemically compatible with all substances which may be put into the pit and will be installed so that it will not leak. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use.

The liner will be installed with sufficient bedding (either straw or dirt) to cover any rocks, will overlap the pit walls, extend under the mud tanks, and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc. that could puncture the liner will be disposed of in the reserve pit.

A flare pit will be constructed adjacent to the location, west of and separate from the reserve pit, and at a minimum of thirty (30) feet from the reserve pit fence and one hundred (100) feet from the rig substructure (please refer to Figure #1 for the location of the flare pit).

- F. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on the three (3) non-working sides according to the following minimum standards (if/as required by the Authorized Officer):
 - 1. 32-inch net wire shall be used with two (2) strands of barbed wire on top of (above) the net wire.
 - 2. The net wire shall be no more than four (4) inches above the ground. The first strand of barbed wire shall be \approx three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.

9. WELLSITE LAYOUT

F. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on the three (3) non-working sides according to the following minimum standards: continued

3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen feet.
5. All wire shall be stretched tight before the wire is attached to the corner braces. Pulling the wire tight by hand without the use of a stretching device will not be acceptable.

The fourth (4th) side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.

G. Any hydrocarbons on the pit will be removed as soon as possible after drilling operations are completed.

10. PLANS FOR RECLAMATION OF THE SURFACE

The Ute Tribe will be contacted prior to commencement of any reclamation operations.

- A. Rat and mouse holes will be backfilled and compacted from bottom to top immediately upon release of the completion rig from the location.
- B. If any oil is on the pits and is not immediately removed after operations cease, the pit containing the oil or other adverse substance(s) will be flagged overhead or covered with wire mesh to protect migrating waterfowl.
- C. Producing Operations:
 1. Immediately upon well completion, the well location and surrounding area(s) will be cleared of all debris, materials, trash and junk not required for production.

10. PLANS FOR RECLAMATION OF THE SURFACE

C. Producing Operations: Continued

2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
3. Before any dirt work to restore the location takes place, all standing water will be removed from the reserve pit along with all cans, barrels, pipe, etc. that may have deposited therein during the course of drilling and completion operations.
4. All other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.
5. The reserve pit and that portion of the location and access road not needed for production facilities and/or operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.

Prior to commencement of backfilling, the plastic or vinyl liner will be folded back into the pit. Fill material will then be pushed into the reserve pit to completely cover both the pit and it's contents.

6. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will result in the ground surface over said pit being "mounded" above the surrounding ground surface (+/- three feet) to allow the reclaimed pit surface area to drain properly.
7. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 4:1 slope by pushing the fill material back up into the cut.
8. Upon completion of backfilling, leveling and recontouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s). Prior to reseeding, all disturbed surfaces (including the access road and well location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds.

10. PLANS FOR RECLAMATION OF THE SURFACE

C. Producing Operations: Continued

8. All disturbed surfaces (including the access road and well pad areas) will be reseeded with a seed mixture to be recommended by the Authorized Officer, Bureau of Indian Affairs.

Seed will be drilled on the contour with a seed drill equipped with a depth regulator in order to ensure even depths of planting. Seed will be planted between one-quarter (1/4) to one-half (1/2) inches deep. Where drilling is not possible (too steep or rocky), hand broadcast the seed at double the rate indicated above and rake or chain the area to cover the broadcast seed.

All seeding will be conducted after September 15th and prior to ground frost. If the seeding is unsuccessful, subsequent seedings may be required. The first evaluation of growth will be made following completion of the first growing season.

D. Dry Hole/Abandoned Well Location:

1. On lands administered by the Bureau of Indian Affairs, abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include:
 - (a) re-establishing irrigation systems where applicable,
 - (b) re-establishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and,
 - (c) ensuring revegetation of the disturbed areas to the specifications of the Uintah & Ouray Indian Tribes or the Bureau of Indian Affairs at the time of abandonment.
2. All disturbed surfaces will be recontoured to the approximate natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Please refer to Item #10C5-6 (page #11) for specific information regarding reclamation of the reserve pit area.

10. PLANS FOR RECLAMATION OF THE SURFACE

D. Dry Hole/Abandoned Well Location: Continued

2. Reseeding operations will be performed in the fall following completion of reclamation operations. Please refer to Item #10C8 (page #'s 11 and 12) for additional information regarding the reseeded operation.

11. SURFACE OWNERSHIP

The well site and proposed access road are situated on surface lands owned by the Uintah & Ouray Ute Indian Tribes. These tribal lands are administered in trust for the Ute Indian Tribes by:

Bureau of Indian Affairs
Uintah & Ouray Agency
P.O. Box 130
Fort Duchesne, Utah 84026
Phone: (801) 722-2406

12. OTHER INFORMATION

A. General Description of the Project Area:

The project area is situated in the Uinta Basin section of the Colorado Plateaus physiographic province in an area of northeastern Utah which has undergone intensive natural gas development activities within the last few years. The overall area is characterized by moderately to severely eroded uplands located between the Duchesne River to the north and the Green River to the east.

This area is classified as a "High Plains Steppe" (cold desert) and exhibits a sparse to moderate vegetation density which is typical of semi-arid areas at higher elevations (5000-6000').

Generally, local flora consists of native grasses such as salt grass, galleta grass, needle-and-threadgrass, Indian ricegrass; woody species such as shadscale, horsebrush, black sagebrush, fringe sagebrush, big sagebrush, rabbitbrush, and greasewood along the dry drainages. Local fauna consists primarily of mule deer, coyotes, badgers, skunks, rabbits, raptors, and various smaller vertebrate and invertebrate species.

12. OTHER INFORMATION

A. General Description of the Project Area: Continued

There are no known threatened or endangered species that would be affected by implementation of operations on the Ute Tribal #26-4-I well location.

B. Surface Use Activities:

The primary surface use is for livestock grazing.

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:

1. The closest source of permanent water is the Duchesne River, located approximately seven (7) miles north of the proposed well location.
2. The closest occupied dwellings are located in the community of Fort Duchesne - approximately thirteen (13) miles north of the proposed well location.
3. A cultural resource clearance will be conducted before any construction activities begin on the proposed Ute Tribal #26-4-I well location. If, during operations, any archaeological or historical sites, or any object(s) of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites are to be suspended and the discovery reported promptly to the Bureau of Indian Affairs.

Snyder Oil Corporation will be responsible for informing all persons associated with this project that they will be subject to prosecution for damaging, altering, excavating or removing any archaeological, historical, or vertebrate fossil objects or site(s).

If archaeological, historical or vertebrate fossil materials are discovered, Snyder Oil Corporation will suspend all operations that further disturb such materials and immediately contact the Authorized Officer. Operations will not resume until written authorization to proceed is issued by the Authorized Officer.

12. OTHER INFORMATION

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

3. Within five (5) working days the Authorized Officer will evaluate the discovery and inform Snyder Oil Corporation of actions that will be necessary to prevent loss of significant cultural or scientific values.

Snyder Oil Corporation will be responsible for the cost of any mitigation required by the Authorized Officer. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that the required mitigation has been completed, Snyder Oil Corporation will be allowed to resume operations.

D. Additional Stipulations for Operations on Lands Administered by the Bureau of Indian Affairs:

1. If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the Bureau of Indian Affairs (BIA) before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.
2. All roads constructed by oil and gas operators on the Uintah & Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction and will state:
 - (a) that the land is owned by the Uintah & Ouray Indian Tribes,
 - (b) the name of the Operator,
 - (c) that firearms are prohibited by all non-tribal members,
 - (d) that permits must be obtained from the Bureau of Indian Affairs before cutting firewood or other timber products, and

12. OTHER INFORMATION

D. Additional Requirements for Operations on Lands Administered by the Bureau of Indian Affairs:

2. All roads constructed by oil and gas operators on the Uintah & Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction and will state: continued
 - (e) only authorized personnel are permitted to use said road.
3. All well site locations on the Uintah & Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, and the survey description of the well (either footages or the quarter-quarter section, section, township, and range).
4. Snyder Oil Corporation shall contact both the Bureau of Land Management (BLM) and the Bureau of Indian Affairs (BIA) between 24 and 48 hours prior to commencement of construction activities. BLM: (801) 789-1362; BIA: (801) 722-2406.
5. Snyder Oil Corporation will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BIA, or the Uintah County Extension Office.

On lands administered by the BIA, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.

6. The BLM and BIA offices shall be notified upon site completion and prior to moving drilling tools onto the location.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Representative

Snyder Oil Corporation
Tim A. Burns, Drilling Engineer
1625 Broadway, Suite 2200
Denver, Colorado 80202
Telephone: (303) 592-8500

Heitzman Drill-Site Services*
Dale Heitzman and/or Robert M. Anderson
P.O. Drawer 3579
Casper, Wyoming 82602
Telephone: (307) 266-4840

* Contact for any additional information which may be required for approval of this Application for Permit to Drill.

Certification

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations (43 CFR 3100), Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Snyder Oil Corporation will be fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to their field representative(s) in order to ensure compliance.

The dirt contractor will be provided with a copy of the Surface Use Plan from the approved Application for Permit to Drill.

This drilling permit will be valid for a period of one (1) year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

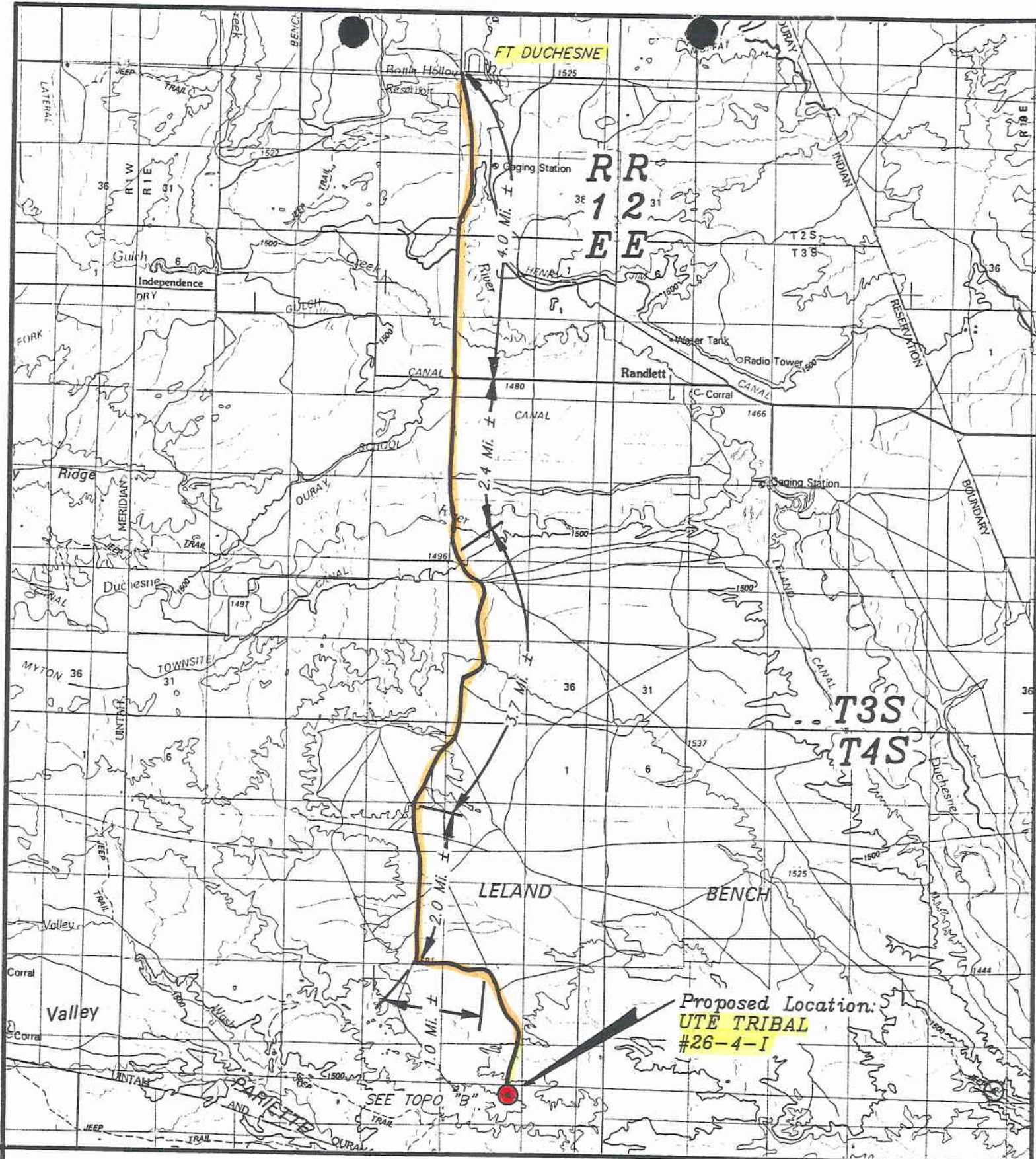
13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Certification - Continued

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Snyder Oil Corporation, their contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

14 December 1994
Date


Robert M. Anderson/Authorized Agent



TOPOGRAPHIC
MAP "A"

DATE: 11/17/94 D.COX



SNYDER OIL CORP.

UTE TRIBAL #26-4-I
SECTION 26, T4S, R1E, U.S.B.&M.
2420' FSL 996' FEL

LOCATION LAYOUT FOR

*Proposed Access
- Road*

FIGURE #1

APPROX. \geq
TOP OF
CUT SLOPE

NOTE:

FLARE PIT IS TO BE
LOCATED A MINIMUM
OF 100' FROM THE
WELL HEAD.

El. 110.2'
C-15.2'
(Btm. Pit) —

Reserve Pit Backfill & Spoils Stockpile

El. 111.6'
C-16.6
(Btm. Pit)

CONSTRUCT
DIVERSION
DITCH

C-1.0'
El. 106.0'

Elev. Ungraded Ground at Location Stake = **5109.4'**

Elev. Graded Ground at Location Stake = 5105.0'

Install Culvert
as Required.

C-2.9'
El. 107.9'

F-7.0'
El. 98.0'

El. 95.2'
F-9.8'

Sta. 3+35

El. 109.2'
C-4.2'

PIPE RACKS

C-4.4'
El. 109.4'

Sta. 1+60

|| El. 99.8'
F-5.2'

APPROX.
TOE OF
FILL SLOPE

Sta. 0+00

El. 100.6'
F-4.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

SNYDER OIL CORP.

TYPICAL CROSS SECTIONS FOR

UTE TRIBAL #26-4-1
SECTION 26, T4S, R1E, U.S.B.&M.
2420' FSL 996' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 11-19-94
Drawn By: D.R.B.

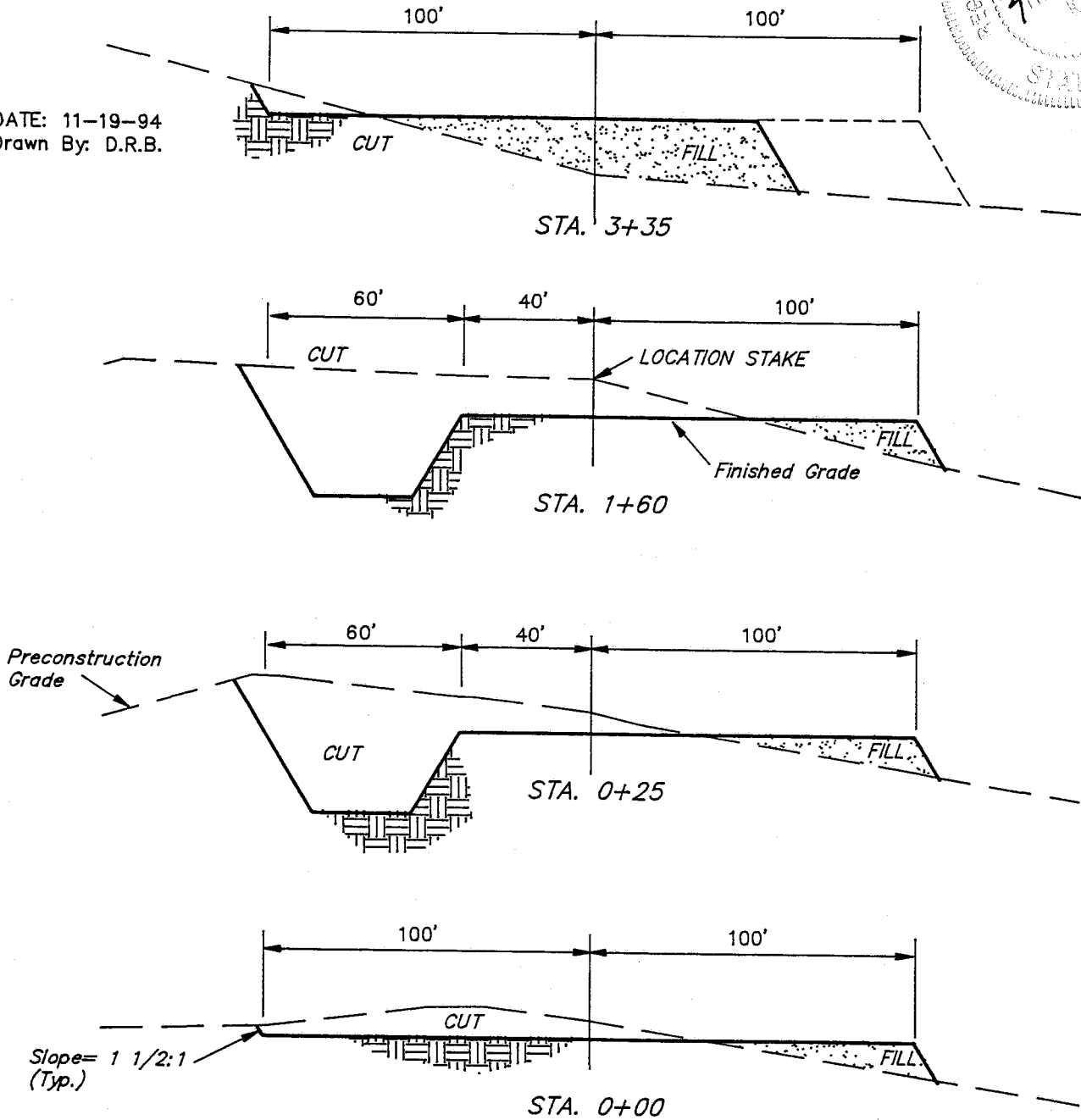


FIGURE #2

APPROXIMATE YARDAGES

CUT
(12") Topsoil Stripping = 2,480 Cu. Yds.
Remaining Location = 6,950 Cu. Yds.

TOTAL CUT = 9,430 CU.YDS.

FILL = 5,360 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 3,790 Cu. Yds.
Topsoil & Pit Backfill = 3,790 Cu. Yds.
(1/2 Pit Vol.)

EXCESS CUT MATERIAL = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/21/95

API NO. ASSIGNED: 43-047-32666

WELL NAME: UTE TRIBAL 26-4-I
OPERATOR: SNYDER OIL CORP (N1305)

PROPOSED LOCATION:

NESE 26 - T04S - R01E
SURFACE: 2420-FSL-0996-FEL
BOTTOM: 2420-FSL-0996-FEL
UINTAH COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: IND
LEASE NUMBER: 14-20-H624386

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal ☒ State ☐ Fee ☐
(Number WY-2272)
N Potash (Y/N)
N Oil shale (Y/N)
Y Water permit
(Number SEE APP PART 5)
N RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

___ R649-2-3. Unit: _____
___ R649-3-2. General.
☒ R649-3-3. Exception.
___ Drilling Unit.
___ Board Cause no: _____
___ Date: _____

COMMENTS: _____

STIPULATIONS: _____



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

February 23, 1995

Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, Colorado 80202

Re: Ute Tribal #26-4-I Well, 2420' FSL, 996' FEL, NE SE, Sec. 26, T. 4 S., R. 1 E.,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Admin. R. 649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32666.

Sincerely,

R. J. Firth
Associate Director

ldc

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD



Operator: Snyder Oil Corporation
Well Name & Number: Ute Tribal #26-4-I
API Number: 43-047-32666
Lease: Indian 14-20-H624386
Location: NE SE Sec. 26 T. 4 S. R. 1 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

3/28/96



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

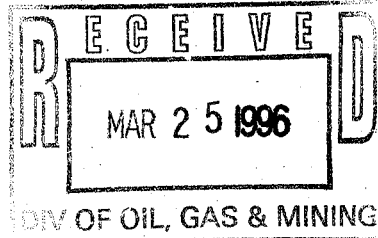
Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:

3162
UT08438

March 20, 1996

Snyder Oil Corporation
1625 Broadway, Suite 2200
Denver, CO 80202



Re: Notification of Expiration
Well No. Ute Tribal 26-4-I
Section 26, T4S, R1E
Lease No. 14-20-H62-4679
Uintah County, Utah

43-047-32666

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on February 24, 1995. Since that date no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann
Legal Instruments Examiner

cc: State Div. OG&M
Snyder, Vernal Office